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SECOND INDUSTRIAL DEVELOPMENT DECADE FOR AFRICA

Alliance for Africa's Industrialization

Report by the Director-General

Addendum

Summary

Provides information on the launching of the Alliance at Abidjan, Côte d'Ivoire, on 23 October 1996.

1. As reported in paragraph 13 of document IDB.16/16, and in pursuance of the resolution of the Organization of African Unity (OAU) described in paragraph 9 of that document, the Alliance for Africa's Industrialization (AAI) was launched at Abidjan, Côte d'Ivoire, on 23 October 1996, in collaboration with the Government of Côte d'Ivoire. The official launch was preceded by an expert group meeting from 17 to 19 October and a conference of African Ministers of Industry from 21 to 22 October.

2. Three parallel events also took place at Abidjan during the same period:

(a) The annual meeting of UNIDO Country Directors in Africa;

(b) A meeting of UNIDO Investment Promotion Services and selected African investment promotion agencies;

(c) A demonstration of a multi-purpose platform for women in rural areas which had been developed in the context of a UNIDO project.

3. The launch of AAI was strongly supported by African States, as manifested in the strength of the delegations participating in the various activities. Eleven Heads of State or Government attended the official event; 36 Ministers and Deputy Ministers/Secretaries of State attended the conference. In total, 245 delegates from 41 countries, drawn from the private sector and government, participated in the various events.

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4. Delegates reviewed Africa's industrial development experiences and the widening technological gap between Africa and the rest of the world. They considered various industrial development models in Asia and in Latin America and examples of successful economic transformation in Africa. They endorsed the Alliance as a new impetus to establish new partnerships that will catalyse industrial development in Africa. The delegates emphasized that industrial development strategies must be oriented towards private sector empowerment and must be based on comparative advantages and home-grown development visions.

5. The Abidjan Declaration on the Alliance for Africa's Industrialization, adopted on 23 October 1996, captures the strong resolve of African nations to reinvigorate their efforts to ensure that their countries achieve the status of newly industrializing nations in the new millennium. The full text of the Declaration is contained in the annex to the present document.

6. Reports of the various activities, including an action plan, are being finalized for submission to the thirteenth meeting of the Conference of African Ministers of Industry at Accra, Ghana, in May 1997, and to the OAU Summit of Heads of State in July 1997.

Annex

ABIDJAN DECLARATION ON THE ALLIANCE FOR AFRICA'S INDUSTRIALIZATION

A. Preamble

We, the Heads of State and Government assembled here at Abidjan, Côte d'Ivoire, on 23 October 1996, at the kind invitation of His Excellency, Mr. Henri Konan BEDIE, President of the Republic of Côte d'Ivoire, and at the initiative of the Director-General of UNIDO, to formally launch the Alliance for Africa's Industrialization,

Having considered:

- The Gaborone Declaration adopted by the Conference of African Ministers of Industry;
- The United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF);
- The Abuja treaty on the establishment of the African Economic Community;
- The United Nations System-Wide Special Initiative on Africa; and
- OAU resolution CM/Res.1663 (LXIV) adopted by the Council of Ministers in Yaoundé, Cameroon, in July 1996, which, *inter alia*, endorsed the launching of the Alliance as a dynamic mechanism for the attainment of the goals and objectives of the Second Industrial Development Decade for Africa,

On the basis of preparatory work carried out by the African Ministers of Industry from 21 to 22 October 1996 preceded by the meeting of high-level experts from 17 to 19 October 1996 and with the support of the UNIDO Secretariat, having reviewed the socio-economic situation in Africa and having noted, in particular, that:

- African countries have, over the last three decades, adopted various policies and strategies for the industrialization of the continent, ranging from import substitution policies, public industrial enterprises to private sector development;
- Many countries have made substantial efforts and adopted various macroeconomic policies, including structural adjustment programmes;
- A number of countries have recorded significant achievements with positive rates of real growth. Nonetheless, the socio-economic situation across the continent remains of concern;

Furthermore, the continent is in danger of increased marginalization resulting from, *inter alia*, the debt burden, the deterioration of the terms of trade, the continuous reduction of development aid and limited flow of direct private investments as well as the globalization and liberalization of world trade following the adoption of the Uruguay Round Agreements. The African continent is, in particular, finding it more difficult to access the financial markets;

There has been no significant structural change or growth in the industrial sector in most African countries. Yet the industrial sector, which constitutes the major engine of growth in the restructuring and transformation of African economies, in line with their medium- and long-term development visions, has a fundamental role to play in the attainment of a durable solution to Africa's social and economic crises, especially in poverty alleviation/eradication as well as income and employment generation, particularly for the youth;

The fundamental principles of the Lagos Plan of Action, the Final Act of Lagos, the Cairo Agenda of Action for Relaunching Africa's Economic and Social Development, the Lima Declaration and the Industrial Development Decade for Africa remain relevant. There is, nevertheless, a need for a radical continent-wide concerted action to enhance the full attainment of their goals and objectives;

African countries need to urgently evolve their own socio-economic development strategies and operational mechanisms to enable them to harmonize relations with their development partners and to take their rightful place in the global economy during the twenty-first century;

Cooperation, including trade among African countries based on their individual comparative advantages, at the subregional, regional and global levels, is fundamental if Africa is to make a breakthrough in its industrialization endeavours.

B. Launching of the Alliance

1. On the basis of the above, we, the African Heads of State and Government assembled in Abidjan on 23 October 1996 hereby formally proclaim the launching of the **Alliance for Africa's Industrialization**, as a dynamic mechanism to boost the implementation of the

programme for the Second Industrial Development Decade for Africa, thus accelerating the pace of industrialization of the continent towards its economic transformation during the twenty-first century.

2. Therefore, we commit ourselves, individually and collectively, and on behalf of our respective peoples and Governments to take all measures for:

(a) The rapid implementation of the programme for the Second Industrial Development Decade for Africa, utilizing the Alliance as a new support mechanism to enhance the attainment of its goals and objectives, so as to contribute to the transformation of our countries to newly industrializing countries during the next 15 to 20 years;

(b) The industrial transformation of our natural resources, which provide us with significant potential comparative advantages, particularly through the development of agro-industries;

(c) The enhancement of capacity-building and human resources development at the policy, institutional and enterprise levels, including an intensified integration of women in industry;

(d) Building up industrial, business and technological information capacities and capabilities including their linkage to regional and global information networks and systems;

(e) Enhancing the competitiveness of our industries by incorporating cost considerations, quality assurance, standardization and technological innovation;

(f) Ensuring the rehabilitation and competitive restructuring of our existing industries;

(g) Strengthening the participation of the private sector in the formulation and implementation of programmes for the Alliance;

(h) Internalizing the Alliance into the national, subregional and regional economic development process, by ensuring the involvement of all the development ministries, the private sector and civil society at various levels not only in our individual countries and sub-regional groupings but also between our countries and the rest of the world;

(i) Formulating medium- and long-term industrial policies and strategies at the national and subregional levels designed to respond to the challenges of globalization and international competitiveness;

(j) Promoting sustainable industrial development;

(k) Mobilizing domestic and foreign direct investments and official development assistance, including the establishment of a pledging mechanism and coordinating structure, to enable the financing of industrial programmes in Africa within the framework of the Alliance;

(l) Intensifying cooperation with development partners, especially investment finance institutions, donor countries, multilateral, bilateral and other development agencies and the organizations of the United Nations system;

(m) Implementing the Abuja Treaty on the establishment of the African Economic Community and other subregional industrial cooperation schemes and according high priority to complementary regional and subregional cooperation in the programme packages to be formulated for the Alliance;

(n) Reinforcing national, subregional and regional coordination mechanisms to act as the focal points for the global coordination structure to be put in place for the Alliance.

C. Coordination Mechanism

3. Given the expected critical impact of the Alliance on the economic and industrial development of Africa and the crucial role to be played by Africa's development partners in that process, we recognize the need to set up a coordinating mechanism with a Secretariat for the Alliance. Pending the establishment of that mechanism, we request the UNIDO Secretariat to act as interim secretariat in close cooperation with the Secretariats of OAU, ADB, ECA and ABR, and in coordination with the Bureau of the CAMI.

D. Other Considerations

4. We are conscious of the fact that the success of the Alliance will also depend on the attainment of an enabling environment of peace, security, democracy, good governance and the rule of law in our countries. We are therefore determined to pursue our efforts in this direction.

5. In launching the Alliance, we are conscious of the tremendous additional effort which will be required of us, individually and collectively, to attain the goals we have set for ourselves. We are confident that we have the determination to overcome the obstacles that may lie in our path. We request UNIDO, in collaboration with the development ministries in our respective countries, OAU, ECA, ADB, and the African Business Round Table, to mobilize the support of the international community as well as that of the relevant international organizations, notably donor countries, private investors,

multilateral and bilateral development agencies as well as the organizations of the United Nations system.

6. We reaffirm our total support for UNIDO, which can provide a significant contribution to the process of industrialization of developing countries in general, and African countries in particular, and appeal to the leaders of all countries, especially those of developed countries, to continue to support, maintain and strengthen UNIDO.

E. Follow-up Action

7. We invite the African Ministers of Industry to elaborate, with the involvement of the African private sector, regional and subregional organizations and with

the support of UNIDO and other relevant international organizations, a plan of action to be adopted by CAMI during its forthcoming thirteenth meeting at Accra, Ghana, in May 1997, to enable the operationalization of the Alliance.

8. We hereby request that the present Declaration together with the plan of action be submitted to the OAU Assembly of Heads of State and Government at its next summit at Harare, Zimbabwe, in 1997.

9. We also decide hereby to reconvene, at the level of Heads of State and Government, in two years' time to review the progress in the implementation of the Alliance.

Abidjan, 23 October 1996